

EXHIBIT NO. ___(JHS-7C)
DOCKET NO. UE-07___/UG-07___
2007 PSE GENERAL RATE CASE
WITNESS: JOHN H. STORY

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

Docket No. UE-07___
Docket No. UG-07___

**SIXTH EXHIBIT (CONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF
JOHN H. STORY
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**REDACTED
VERSION**

DECEMBER 3, 2007

Exhibit A-1 Power Cost Rate

Row		Test Year		Production Factor 0.96661 Rate Year
3	Regulatory Assets (Variable)	\$	172,091,060	
4	Transmission Rate Base (Fixed)		107,422,863	
5	Production Rate Base (Fixed)		1,068,416,133	
6		\$	1,347,930,056	
7	Net of tax rate of return		7.29%	
8				
9				
10	Regulatory Asset Recovery (on Row 3)	\$	19,300,674	\$ 0.907 (c)
11	Fixed Asset Recovery Other (on Row 4)		12,047,887	\$ 0.566 (a) 12,047,887
12	Fixed Asset Recovery-Prod Factored (on Row 5)		119,826,979	\$ 5.630 (a) 123,966,210
13	501-Steam Fuel		57,833,254	\$ 2.717 (c)
14	555-Purchased power		714,059,240	\$ 33.550 (c)
14a	Rate Disallowances for March Point 2 & Tenaska		(8,416,432)	\$ (0.395) (c)
15	557-Other Power Exp		5,968,474	\$ 0.280 (a) 6,174,645
15a	Payroll Overheads - Worker's Comp		2,634,948	\$ 0.124 (a) 2,725,968
15b	Property Insurance		2,233,648	\$ 0.105 (a) 2,310,806
15c	Montana Electric Energy Tax		1,580,436	\$ 0.074 (a) 1,635,030
15d	Payroll Taxes on Production Wages		1,149,980	\$ 0.054 (a) 1,189,704
16	547-Fuel		129,349,410	\$ 6.078 (c)
17	565-Wheeling		67,799,084	\$ 3.186 (c)
18	Variable Transmission Income		(4,458,136)	\$ (0.209) (c)
19	Hydro and Other Pwr.		97,413,175	\$ 4.577 (a) 100,778,158
20	447-Sales to Others		(6,086,573)	\$ (0.286) (c)
21	456-Subaccounts 00012 & 00018 and 00035 & 00036		(181,715)	\$ (0.009) (c)
22	Transmission Exp - 500KV		1,136,432	\$ 0.053 (a) 1,175,688
23	Depreciation & Amort -Production (FERC 403)		69,722,089	\$ 3.276 (a) 72,130,527
24	Depreciation-Transmission		4,053,897	\$ 0.190 (a) 4,053,897
25	Amortization-Production Reg Assets		36,292,607	\$ 1.705 (c)
26	Property Taxes-Production		14,076,499	\$ 0.661 (a) 14,562,749
27	Property Taxes-Transmission		3,506,268	\$ 0.165 (a) 3,506,268
28	Hedging Line of Credit		285,289	\$ 0.013 (c)
29	Subtotal & Baseline Rate	\$	1,341,127,415	\$ 63.012 (b) 346,257,538
30	Revenue Sensitive Items		0.9560474	
31		\$	1,402,783,393	
32	Test Year DELIVERED Load (MWH's)		21,283,165	<-- includes Firm Wholesale
33				
34				
35				
36				
37				
38	Power Cost in Rates with Revenue Sensitive			
39	Items (the adjusted baseline)	\$	63.012	\$ 65.909
40	sum of (a) = Fixed Rate Component	\$	15.755	\$ 16.479
41	(b) = Power Cost Rate	\$	63.012	\$ 65.909
42	sum of (c) = Variable Power Rate Component	\$	47.257	\$ 49.430

Exhibit A-2 Transmission Rate Base

Row			Plant AMA 9/30/2007	AMA Accum Deprec/Amort	Net	Annualized Depreciation
7						
8						
6		TRANS - COLSTRIP 1 & 2				
7	E350	100428 Land and Land Rights	\$ 10,247	\$ -	\$ 10,247	
8	E351	100127 Easements	685,927	(360,207)	325,719	13,033
9	E353	100136 Station Equipment	1,231,131	(874,485)	356,646	25,977
10	E354	100145 Towers & Fixtures	14,474,343	(8,014,007)	6,460,336	241,722
11	E355	100149 Poles & Fixtures	49,007	(45,717)	3,290	1,622
12	E356	100157 OH Conductors & Devices	13,158,153	(7,836,950)	5,321,203	277,637
13	E359	100170 Roads & Trails	113,968	(59,703)	54,265	1,630
14		TOTAL COLSTRIP 1&2 TRANSMISSION	29,722,775	(17,191,069)	12,531,705	561,620
15						
16		TRANS - COLSTRIP 3 & 4				
17	E351	100128 Easements	1,071,124	(549,247)	521,877	20,351
18	E352	100132 Structures & Improvements	496,711	(257,560)	239,152	8,444
19	E353	100137 Station Equipment	18,174,239	(9,862,443)	8,311,796	383,636
20	E354	100146 Towers & Fixtures	20,520,449	(11,029,237)	9,491,212	342,640
21	E355	100150 Poles & Fixtures	88,692	(49,721)	38,970	2,936
22	E356	100158 OH Conductors & Devices	19,991,226	(11,651,182)	8,340,044	421,815
23	E359	100171 Roads & Trails	341,015	(175,733)	165,282	4,877
24		TOTAL COLSTRIP 3&4 TRANSMISSION	60,683,456	(33,575,123)	27,108,333	1,184,699
25						
26		TRANS - 3RD NW-SW INTERTIE				
27	E350	100430 Land and Land Rights	1,769,178	-	1,769,178	-
28	E352	100134 Structures & Improvements	1,276,264	(319,373)	956,891	21,696
29	E353	100143 Station Equipment	31,896,982	(9,756,046)	22,140,936	679,173
30	E354	100147 Towers & Fixtures	22,781,417	(5,794,238)	16,987,178	380,450
31	E355	100649 Poles & Fixtures	204,200	(52,163)	152,037	6,759
32	E356	100164 OH Conductors & Devices	23,498,183	(8,059,225)	15,438,959	495,812
33	E356	100437 OH Conductors & Devices	206	(42)	163	4
34	E359	100174 Roads & Trails	59,215	(7,860)	51,356	847
35		TOTAL 3RD NW-SW INTERTIE	81,485,645	(23,988,947)	57,496,698	1,584,741
36						
37		TRANS - NORTHERN INTERTIE				
38	E350	100881 Land and Land Rights	30,604	-	30,604	
39	E354	100879 Towers & Fixtures-Whatcom	5,744,097	(1,164,837)	4,579,260	95,926
40	E355	100878 Poles & Fixtures-Whatcom	11,219	(3,925)	7,295	371
41	E356	100877 OH Conductors & Devices-Whatcom	7,460,099	(2,042,568)	5,417,530	157,408
42	E355	100647 Poles & Fixtures-Skagit	3,398,685	(955,541)	2,443,144	112,496
43	E356	100648 OH Conductors & Devices-Skagit	5,142,699	(1,274,958)	3,867,741	108,511
44		TOTAL NORTHERN INTERTIE	21,787,403	(5,441,829)	16,345,574	474,713
45						
46						
47		Total Transmission	\$ 193,679,280	\$ (80,196,969)	\$ 113,482,310	\$ 3,805,774
48		Accumulated Depreciation (AMA)	(80,196,969)			
49		Deferred Taxes (AMA)	(10,328,344)			
50		Transmission portion of:				
51		Colstrip Common FERC Adj, net of accum amort	3,674,439			213,630
52		Colstrip Def Depr FERC Adj, net of accum amort	594,457			34,493
53						
54		Total Transmission Rate Base	\$ 107,422,863			\$ 4,053,897

Exhibit A-3 Colstrip Fixed Costs

Row	Revenue Requirement for Colstrip			
3	Plant	713,910,714		
4	Accumulated Depreciation	(424,341,614)		
5	Deferred Taxes - AMA 9/30/2007	(60,490,992)		
6	Net Plant	<u>229,078,109</u>		
7	Rate of Return (net of Tax)	7.29%		
8	Revenue Requirement after tax	16,699,794	(Line 6 X Line 7)	
9	Plant Revenue Requirement	25,691,991	(Adjusted for Federal Tax) (Line 8 X (1 - 35%))	35.00%
10	Expenses	<u>70,916,840</u>		
11	Total Revenue Requirement	96,608,831	(before revenue sensitive items)	
12				
13	Support for Revenue Requirement - Ratebase			

14	FERC	DESCRIPTION	2006 Sep	2007 Sep	13 MONTH AMA	ANNUITY RATE	ANNUALIZED DEPRECIATION	AMA ACUMM. DEPR.
15		COLSTRIP #1						
16	E311	Structures & Improvements	7,435,989	7,473,868	7,442,839	3.91%	290,983	(4,667,186)
17	E312	Boiler Plant Equipment	55,297,743	58,163,161	58,399,565	3.64%	2,135,756	(38,786,593)
18	E314	Turbo Generating Units	19,333,175	23,438,987	21,941,924	5.20%	1,177,923	(10,315,710)
19	E315	Accessory Electric Equipment	7,180,779	7,180,435	7,180,436	1.97%	141,393	(5,497,749)
20	E316	Misc. Power Plant Equipment	563,919	799,296	738,763	4.79%	38,607	(339,996)
21		TOTAL	89,811,604	97,055,746	95,703,527	3.95%	3,784,663	(59,607,233)
22		COLSTRIP #2						
23	E311	Structures & Improvements	5,822,932	5,860,809	5,829,780	2.97%	173,127	(4,308,946)
24	E312	Boiler Plant Equipment	49,622,109	49,788,214	50,336,181	3.83%	1,930,120	(32,467,864)
25	E314	Turbo Generating Units	16,983,271	20,283,196	18,935,759	5.03%	972,784	(9,192,560)
26	E315	Accessory Electric Equipment	5,070,990	5,087,939	5,071,696	2.93%	148,531	(3,300,376)
27	E316	Misc. Power Plant Equipment	588,700	824,074	761,972	4.93%	40,945	(339,989)
28		TOTAL	78,088,002	81,844,232	80,935,388	4.03%	3,265,506	(49,609,735)
29		COLSTRIP 1 & 2 COMMON						
30	E311	Structures & Improvements	31,349,014	31,349,014	31,349,014	2.77%	805,478	(23,933,769)
31	E312	Boiler Plant Equipment	7,804,511	6,485,834	7,639,677	2.66%	200,567	(5,955,725)
32	E314	Turbo Generating Units	3,845,456	3,844,103	3,845,287	2.65%	101,890	(3,018,238)
33	E315	Accessory Electric Equipment	2,375,376	2,375,376	2,375,376	2.41%	57,242	(1,692,849)
34	E316	Misc. Power Plant Equipment	6,363,663	6,289,463	6,354,388	2.82%	179,035	(4,334,267)
35	E317	Asset Retirement Obligation	540,097	540,097	540,097	0.00%	15,431	(419,218)
36		TOTAL	52,278,117	50,883,887	52,103,839	2.61%	1,359,643	(39,354,065)
37		COLSTRIP 3						
38	E311	Structures & Improvements	29,046,399	29,058,976	29,048,700	2.80%	813,340	(18,146,443)
39	E312	Boiler Plant Equipment	120,515,322	123,772,538	121,626,748	2.81%	3,392,494	(77,028,363)
40	E314	Turbo Generating Units	39,218,823	41,474,566	39,609,872	3.77%	1,503,373	(18,601,328)
41	E315	Accessory Electric Equipment	6,468,230	6,460,699	6,467,516	2.50%	161,643	(3,760,031)
42	E316	Misc. Power Plant Equipment	550,709	704,857	667,549	3.69%	26,323	(284,941)
43		TOTAL	195,799,483	201,471,636	197,420,385	2.99%	5,897,173	(117,821,106)
44		COLSTRIP 4						
45	E311	Structures & Improvements	26,588,411	26,600,987	26,590,711	2.75%	731,183	(15,408,741)
46	E312	Boiler Plant Equipment	107,860,241	108,751,249	108,211,291	2.98%	3,229,140	(60,526,081)
47	E314	Turbo Generating Units	36,166,530	37,714,991	37,405,037	3.59%	1,359,090	(16,231,636)
48	E315	Accessory Electric Equipment	5,669,307	5,670,535	5,669,687	2.54%	144,026	(2,976,522)
49	E316	Misc. Power Plant Equipment	748,198	902,346	865,038	3.26%	29,694	(382,886)
50		TOTAL	177,032,686	179,640,108	178,741,764	3.07%	5,493,132	(95,525,866)
51		COLSTRIP 3 & 4 COMMON						
52	E311	Structures & Improvements	70,602,621	70,574,232	70,599,073	2.53%	1,740,035	(43,774,562)
53	E312	Boiler Plant Equipment	18,959,641	18,727,316	18,930,601	2.68%	506,508	(11,564,327)
54	E314	Turbo Generating Units	13,373	10,515	13,016	49.28%	5,746	106,746
55	E315	Accessory Electric Equipment	7,652,070	7,652,070	7,652,070	2.32%	177,507	(4,346,380)
56	E316	Misc. Power Plant Equipment	4,639,637	4,613,132	4,636,324	2.70%	125,011	(2,480,469)
57	E317	Asset Retirement Obligation	333,978	333,978	333,978	0.00%	7,590	(206,204)
58		TOTAL	102,201,321	101,911,244	102,165,062	2.51%	2,562,397	(62,265,196)
59		COLSTRIP 1-4 COMMON						
60	E316	Misc. Power Plant Equip.	251,534	251,534	251,534	2.23%	5,609	(158,412)
61		TOTAL	251,534	251,534	251,534	2.23%	5,609	(158,412)
62								
63		Subtotal before Colstrip FERC Adjustments (Line 63 + 65)	695,462,748	713,058,387	707,321,499	3.16%	22,368,124	(424,341,614)
64		ARO - Electric Colstrip 1-4 (Acct: 23001021 - 1031) Adj (AMA is Net of Accum. Amort.)			(1,903,266)		91,109	
65		Colstrip Common FERC Adj. (AMA is Net of Accum. Amort.)			6,100,301		354,669	
66		Colstrip Def Depr FERC Adj. (AMA is Net of Accum. Amort.)			2,392,180		104,311	
67		Totals			713,910,714	3.21%	22,918,212	(424,341,614)

ROW **Exhibit A-3 Colstrip Fixed Costs**

ROW	Order	Description	Amount before Prod. Adj.
75			
76			
77			
78			
79		Support for Revenue Requirement - Expenses	
80			
81			
82	50004011	Colstrip 1&2 - Supv & Eng'g - Steam Ope	XXXXXX
83	50005011	Colstrip 3&4 - Supv & Eng'g - Steam Ope	XXXXXX
84	50204001	Colstrip 1&2 - Steam Exp - Steam Gen Op	XXXXXX
85	50205001	Colstrip 3&4 - Steam Exp - Steam Gen Op	XXXXXX
86	50504001	Colstrip 1&2 - Electric Exp - Steam Gen	XXXXXX
87	50505001	Colstrip 3&4 - Electric Exp - Steam Gen	XXXXXX
88	50604001	Colstrip 1&2 - Misc Stm Pwr - Steam Gen	XXXXXX
89	50605001	Colstrip 3&4 - Misc Stm Pwr - Steam Gen	XXXXXX
90	50704001	Colstrip 1&2 - Rents - Steam Gen Oper	XXXXXX
91	50705001	Colstrip 3&4 - Rents - Steam Gen Oper	XXXXXX
92	51004001	Colstrip 1&2 - Supv & Eng'g - Steam Gen	XXXXXX
93	51005001	Colstrip 3&4 - Supv & Eng'g - Steam Gen	XXXXXX
94	51104001	Colstrip 1&2 - Structures - Steam Gen M	XXXXXX
95	51105001	Colstrip 3&4 - Structures - Steam Gen M	XXXXXX
96	51204001	Colstrip 1&2 - Boiler Plant - Steam Gen	XXXXXX
97	51205001	Colstrip 3&4 - Boiler Plant - Steam Gen	XXXXXX
98	51304001	Colstrip 1&2 - Electric Plant - Steam G	XXXXXX
99	51305001	Colstrip 3&4 - Electric Plant - Steam G	XXXXXX
100	51404001	Colstrip 1&2 -Misc Steam Plt -Steam Gen	XXXXXX
101	51405001	Colstrip 3&4 -Misc Steam Plt -Steam Gen	XXXXXX
102		Subtotal for the test year	XXXXXX
103		Adjustment to the rate year	XXXXXX
104		Subtotal on Orders	35,784,175
105		Property Taxes-Montana	10,579,422
106		Electric Energy Tax	1,635,030
107	403xxxxx	Depreciation	22,918,212
108			<u>\$ 70,916,840</u>

REDACTED
VERSION

**PUGET SOUND ENERGY
PRODUCTION ADJUSTMENT
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007
GENERAL RATE INCREASE**

DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 3.339%	FIT 35%
<u>O&M ON PRODUCTION PROPERTY</u>			
PRODUCTION WAGE INCREASE:			
PURCHASED POWER	\$ 164,927	\$ (5,507)	\$ 1,927
OTHER POWER SUPPLY	786,623	(26,265)	9,193
TOTAL PRODUCTION WAGE INCREASE	<u>951,550</u>	<u>(31,772)</u>	<u>11,120</u>
ADMIN & GENERAL EXPENSES			
PAYROLL OVERHEADS	2,725,968	(91,020)	31,857
PROPERTY INSURANCE	2,310,806	(77,158)	27,005
TOTAL ADMIN & GENERAL EXPENSES	<u>5,036,774</u>	<u>(168,178)</u>	<u>58,862</u>
DEPRECIATION / AMORTIZATION:			
DEPRECIATION	66,323,852	(2,214,553)	432,656
AMORTIZATION	5,806,675	(193,885)	63,654
TOTAL DEPRECIATION AND AMORTIZATION (FERC 403)	<u>72,130,527</u>	<u>(2,408,438)</u>	<u>496,310</u>
TAXES OTHER-PRODUCTION PROPERTY:			
PROPERTY TAXES - WASHINGTON	6,705,345	(223,891)	78,362
PROPERTY TAXES - MONTANA	7,857,404	(262,359)	91,826
ELECTRIC ENERGY TAX	1,635,030	(54,594)	19,108
PAYROLL TAXES	1,189,704	(39,724)	13,903
TOTAL TAXES OTHER	<u>17,387,483</u>	<u>(580,568)</u>	<u>203,199</u>
<u>O&M ON REGULATORY ASSETS:</u>			
CABOT	\$ -	-	-
TENASKA	31,942,000	(1,066,543)	373,290
BEP	3,526,620	(117,754)	41,214
WHITE RIVER PLANT COSTS	1,494,702	(49,908)	17,468
WHITE RIVER RELICENSING & CWIP	-	-	-
CANWEST	-	-	-
HOPKINS RIDGE PREPAID TRANSMISSION	2,034,455	(67,930)	23,776
HOPKINS RIDGE INFILL MITIGATION CREDIT	(1,451,500)	48,466	(16,963)
TOTAL ADJUSTMENT TO O&M ON REGULATORY ASSETS	<u>\$ 37,546,277</u>	<u>\$ (1,253,670)</u>	<u>\$ 438,785</u>
INCREASE(DECREASE) EXPENSE		(4,442,627)	
INCREASE(DECREASE) FIT			1,208,276
INCREASE(DECREASE) NOI			<u>\$ 3,234,351</u>
<u>PRODUCTION PROPERTY RATE BASE:</u>			
DEPRECIABLE PRODUCTION PROPERTY	\$ 2,121,905,426	\$ (70,850,422)	
LESS PRODUCTION PROPERTY ACCUM DEPR.	(995,599,480)	33,243,067	
NON-DEPRECIABLE PRODUCTION PROPERTY	80,465,857	(2,686,755)	
LESS PRODUCTION PROPERTY ACCUM AMORT.	(4,422,650)	147,672	
COLSTRIP COMMON FERC ADJUSTMENT	6,100,301	(203,689)	
COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	1,797,723	(60,026)	
ENCOGEN ACQUISITION ADJUSTMENT	41,341,033	(1,380,377)	
NET PRODUCTION PROPERTY	<u>1,251,588,210</u>	<u>(41,790,530)</u>	
DEDUCT:			
LIBR. DEPREC. PRE 1981 (EOP)	(372,848)	12,449	
LIBR. DEPREC. POST 1980 (EOP)	(142,597,040)	4,761,315	
OTHER DEF. TAXES (EOP)	(3,295,458)	110,035	
SUBTOTAL	<u>(146,265,346)</u>	<u>4,883,800</u>	
ADJUSTMENT TO PRODUCTION RATE BASE	<u>\$ 1,105,322,864</u>	<u>\$ (36,906,730)</u>	<u>\$ 1,068,416,134</u>
<u>REGULATORY ASSETS RATE BASE:</u>			
CABOT	21,125	(705)	
TENASKA	94,583,875	(3,158,156)	
BEP	19,609,943	(654,776)	
WHITE RIVER PLANT COSTS	36,953,816	(1,233,888)	
WHITE RIVER RELICENSING & CWIP	23,692,639	(791,097)	
CANWEST	(0)	-	
HOPKINS RIDGE PREPAID TRANSMISSION	4,614,747	(154,086)	
HOPKINS RIDGE INFILL MITIGATION CREDIT	(1,440,474)	48,097	
ADJUSTMENT TO REGULATORY ASSETS RATE BASE	<u>\$ 178,035,671</u>	<u>\$ (5,944,611)</u>	<u>\$ 172,091,060</u>
TOTAL ADJUSTMENT TO RATEBASE (LINE 56 + LINE 67)		<u>\$ (42,851,342)</u>	

**PUGET SOUND ENERGY
POWER COSTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	INCREASE (DECREASE)
1	SALES FOR RESALE	\$ 268,574,887	\$ 6,086,573	\$ (262,488,315)
2				
3	PURCHASES/SALES OF NON-CORE GAS	4,267,784	181,715	(4,086,069)
4	WHEELING FOR OTHERS	10,583,713	9,985,976	(597,737)
5		14,851,497	10,167,692	(4,683,806)
6				
7	TOTAL OPERATING REVENUES	283,426,385	16,254,264	(267,172,120)
8				
9	FUEL	\$ 119,309,169	\$ 187,182,664	\$ 67,873,496
10				
11	PURCHASED AND INTERCHANGED	990,181,182	719,868,293	(270,312,889)
12	HEDGING	-	285,289	285,289
13	RATE DISALLOWANCES FOR MARCH POIN	-	(8,416,432)	(8,416,432)
14	SUBTOTAL PURCHASED AND INTERCHAN	\$ 990,181,182	\$ 711,737,151	\$ (278,444,032)
15	WHEELING	63,827,743	67,799,084	3,971,341
16	SCH. 94 - RES./FARM CREDIT	-	-	-
17	TOTAL PRODUCTION EXPENSES	\$ 1,173,318,094	\$ 966,718,899	\$ (206,599,195)
18	HYDRO AND OTHER POWER	79,069,006	96,652,818	17,583,811
19	TRANS. EXP. INCL. 500KV O&M	1,094,069	1,136,432	42,363
20				
21	TOTAL OPERATING EXPENSES	\$ 1,253,481,170	\$ 1,064,508,149	\$ (188,973,021)
22				
23	INCREASE (DECREASE) OPERATING INCOM	\$ (970,054,785)	\$ (1,048,253,884)	\$ (78,199,099)
24				
25	REDUCTION TO STATE UTILITY TAX SAVI	3.85%		(23,013)
26	INCREASE (DECREASE) INCOME			\$ (78,176,086)
27	INCREASE (DECREASE) FIT @	35%		(27,361,630)
28	INCREASE (DECREASE) NOI			\$ (50,814,456)

**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)
2007 PCORC**

Ref	Description	12 Months Ended December 31		PCA Period							
		Balance net of		AMA Ratebase net of		Return					
		Asset Amort	AA & ADFIT	Asset Amort	AA & ADFIT	A.T. %	Amount	Pre Tax	Monthly		
			(Note 1)		(Note 1)						
9											
10	Cabot Buyout			G/L Accts #18230171 and #28300461 and Order #54756012							
11	Beginning	\$	12,588,000								
12	Dec 2000	\$	(312,000)								
13	Dec 2001	\$	(741,000)								
14	Dec 2002	\$	(1,070,000)								
15	Dec 2003	\$	(1,409,000)								
16	Dec 2004	\$	(1,768,000)								
17	Dec 2005	\$	(2,163,000)	5,464,000	(1,965,500)	8,621,792	6/05	7.3%&7.01%	621,239	955,752	79,646
18	Dec 2006	\$	(2,614,000)	3,491,000	(2,388,500)	5,410,125	6/06	7.01%	379,250	583,461	48,622
19					(1,307,000)	3,984,333	12/06	7.01%	279,302	429,695	35,808
20	Dec 2007	\$	(3,078,000)	1,374,000	(3,078,000)	2,791,458	12/07	7.01%&7.06%	197,031	303,125	25,260
21	Dec 2008	\$	(1,410,000)	-	(1,410,000)	691,208	12/08	7.06%&7.29%	49,199	75,690	6,308
22	Dec 2009	\$	-	-	-	-	12/09	7.29%	-	-	-
23											
24											
25	Tenaska			G/L Accts #18230001 and #28300451 and Order #55500423							
26	Beginning	\$	215,000,000								
27	Dec 1998	\$	(1,952,000)	218,848,000							
28	Dec 1999	\$	(3,863,000)	220,920,000							
29	Dec 2000	\$	(5,463,000)	221,517,000							
30	Dec 2001	\$	(7,382,000)	220,296,000							
31	Dec 2002	\$	(9,494,000)	215,604,000							
32	Dec 2003	\$	(11,924,000)	204,355,000							
33	Dec 2004	\$	(14,744,000)	190,445,000							
34	Dec 2005	\$	(17,908,000)	173,550,000	(16,326,000)	198,322,583	6/05	7.3%&7.01%	14,290,039	21,984,675	1,832,056
35	Dec 2006	\$	(20,615,000)	154,100,000	(19,261,500)	173,230,500	6/06	7.01%	12,143,458	18,682,243	1,556,854
36					(10,307,500)	158,961,667	12/06	7.01%	11,143,213	17,143,404	1,428,617
37	Dec 2007	\$	(24,343,000)	131,477,000	(24,343,000)	142,912,958	12/07	7.01%&7.06%	10,087,306	15,518,932	1,293,244
38	Dec 2008	\$	(28,272,000)	104,886,000	(28,272,000)	118,181,042	12/08	7.06%&7.29%	8,411,868	12,941,335	1,078,445
39	Dec 2009	\$	(32,676,000)	74,153,000	(32,676,000)	89,519,208	12/09	7.29%	6,525,950	10,039,924	836,660
40	Dec 2010	\$	(37,533,000)	38,851,000	(37,533,000)	56,501,833	12/10	7.29%	4,118,984	6,336,898	528,075
41	Dec 2011	\$	(40,629,000)	-	(40,629,000)	19,424,708	12/11	7.29%	1,416,061	2,178,556	181,546
42	Dec 2012	\$	-	-	-	-	12/12	7.29%	-	-	-
43											

**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)
2007 PCORC**

Ref	Description	12 Months Ended December 31		PCA Period						
		Balance net of		AMA Ratebase net of			Return			
		Asset Amort	AA & ADFIT	Asset Amort	AA & ADFIT		A.T. %	Amount	Pre Tax	Monthly
(Note 1)		(Note 1)								
44										
45	BEP			G/L Accts #18230071 and #18230081 and Order #55500007						
46	Beginning		54,662,561							
47	Dec 2002	\$ (3,526,620)	51,135,941							
48	Dec 2003	\$ (3,526,620)	47,609,321							
49	Dec 2004	\$ (3,526,620)	44,082,701							
50	Dec 2005	\$ (3,526,620)	40,556,081	(3,526,620)	44,082,701	6/05	7.3%&7.01%	3,176,358	4,886,704	407,225
51	Dec 2006	\$ (3,526,620)	37,029,461	(3,526,620)	40,556,081	6/06	7.01%	2,842,981	4,373,817	364,485
52				(1,763,310)	37,911,116	12/06	7.01%	2,657,569	4,088,568	340,714
53	Dec 2007	\$ (3,526,620)	22,808,103	(3,526,620)	24,500,027	12/07	7.01%&7.06%	1,729,299	2,660,460	221,705
54	Dec 2008	\$ (3,526,620)	20,409,483	(3,526,620)	21,608,793	12/08	7.06%&7.29%	1,538,067	2,366,256	197,188
55	Dec 2009	\$ (3,526,620)	18,010,863	(3,526,620)	19,210,173	12/09	7.29%	1,400,422	2,154,495	179,541
56	Dec 2010	\$ (3,526,620)	15,612,243	(3,526,620)	16,811,553	12/10	7.29%	1,225,562	1,885,480	157,123
57	Dec 2011	\$ (3,526,620)	13,213,623	(3,526,620)	14,412,933	12/11	7.29%	1,050,703	1,616,466	134,705
58	Dec 2012	\$ (3,526,620)	10,815,003	(3,526,620)	12,014,313	12/12	7.29%	875,843	1,347,451	112,288
59	Dec 2013	\$ (3,526,620)	8,416,383	(3,526,620)	9,615,693	12/13	7.29%	700,984	1,078,437	89,870
60	Dec 2014	\$ (3,526,620)	6,017,763	(3,526,620)	7,217,073	12/14	7.29%	526,125	809,422	67,452
61	Dec 2015	\$ (3,526,620)	3,619,143	(3,526,620)	4,818,453	12/15	7.29%	351,265	540,408	45,034
62	Dec 2016	\$ (3,526,620)	1,220,523	(3,526,620)	2,419,833	12/16	7.29%	176,406	271,394	22,616
63	Dec 2017	\$ (1,763,261)	0	(1,763,261)	309,550	12/17	7.29%	22,566	34,717	2,893
64	Dec 2018	\$ -	0	-	0	12/18	7.29%	0	0	0
65										
66										
67	White River Relicensing (Note 2)			G/L Accts #18230641, #18236021, 6031, 6041, 6051, 6061, 6071, #18230691, #19000021 and #28300011						
68	Beginning	\$	20,545,452							
69	Dec 2004	\$	15,194,768							
70	Dec 2005	\$	17,134,558	-	15,867,232	6/05	7.3%&7.01%	362,638	557,905	46,492
71	Dec 2006	\$	21,307,241	-	16,727,249	6/06	7.01%	1,172,580	1,803,969	150,331
72				-	19,952,479	12/06	7.01%	1,398,669	2,151,798	179,317
73	Dec 2007	\$	23,692,639	-	23,224,190	12/07	7.01%&7.06%	1,639,246	2,521,917	210,160
74	Dec 2008	\$	23,692,639	-	23,692,639	12/08	7.06%&7.29%	1,686,390	2,594,446	216,204
75	Dec 2009	\$	23,692,639	-	23,692,639	12/09	7.29%	1,727,193	2,657,221	221,435
76	Dec 2010	\$	23,692,639	-	23,692,639	12/10	7.29%	1,727,193	2,657,221	221,435
77	Dec 2011	\$	23,692,639	-	23,692,639	12/11	7.29%	1,727,193	2,657,221	221,435
78										

**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)
2007 PCORC**

Ref	Description	12 Months Ended December 31		PCA Period							
		Balance net of		AMA Ratebase net of			Return				
		Asset Amort	AA & ADFIT	Asset Amort	AA & ADFIT		A.T. %	Amount	Pre Tax	Monthly	
		(Note 1)		(Note 1)							
79											
80	White River Plant Costs			G/L Accts #18220011, #18220021, #18220031, #18220041 and #18220051 and Order #40700015							
81	Beginning	\$	43,419,577	DFIT included in #28200121							
82	Dec 2004	\$	(1,494,702)								
83	Dec 2005	\$	(1,494,702)	(1,494,702)	42,108,377	6/05	7.3%&7.01%	3,034,099	4,667,844	388,987	
84	Dec 2006	\$	(1,494,702)	(1,494,702)	40,832,156	6/06	7.01%	2,862,334	4,403,591	366,966	
85				(747,351)	39,923,952	12/06	7.01%	2,798,669	4,305,645	358,804	
86	Dec 2007	\$	(1,494,702)	(1,494,702)	37,934,287	12/07	7.01%&7.06%	2,677,537	4,119,288	343,274	
87	Dec 2008	\$	(1,494,702)	(1,494,702)	37,912,178	12/08	7.06%&7.29%	2,698,506	4,151,547	345,962	
88	Dec 2009	\$	(1,494,702)	(1,494,702)	36,765,785	12/09	7.29%	2,680,226	4,123,424	343,619	
89	Dec 2010	\$	(1,494,702)	(1,494,702)	35,641,238	12/10	7.29%	2,598,246	3,997,302	333,108	
90	Dec 2011	\$	(1,494,702)	(1,494,702)	34,516,688	12/11	7.29%	2,516,267	3,871,179	322,598	
91											
92											
93	Canwest Liability			G/L Accts #25400021, #14300061 and #19000451 and Order #547 / #456							
94	Beginning	\$	-								
95	Dec 2004	\$	(977,293)								
96	Dec 2005	\$	632,917	(6,170,942)	-	(1,317,326)	6/05	7.3%&7.01%	(62,513)	(96,174)	(8,014)
97	Dec 2006	\$	3,797,503	(3,702,565)	2,531,669	(5,490,031)	6/06	7.01%	(384,851)	(592,079)	(49,340)
98					1,898,751	(4,319,660)	12/06	7.01%	(302,808)	(465,859)	(38,822)
99	Dec 2007	\$	3,797,503	(1,234,188)	3,797,503	(2,468,377)	12/07	7.01%&7.06%	(174,227)	(268,041)	(22,337)
100	Dec 2008	\$	1,898,751	(0)	1,898,751	(308,547)	12/08	7.06%&7.29%	(21,962)	(33,787)	(2,816)
101	Dec 2009	\$	-	-	-	-	12/09	7.29%	-	-	-
102											
103											
104	Hopkins Ridge Prepaid Transm (Notes 3/4)			G/L Acct #18230231 and #18230371 and Order #56500011							
105	Beginning	\$	10,750,000								
106	Dec 2005	\$	-	10,750,000	-	-	6/05	7.3%&7.01%	-	-	-
107	Dec 2006	\$	(1,872,029)	8,857,971	(367,909)	6,670,465	6/06	7.01%	467,600	719,384	59,949
108					(1,504,121)	9,365,525	12/06	7.01%	656,523	1,010,036	84,170
109	Dec 2007	\$	(1,119,300)	7,220,062	(1,119,300)	8,276,042	12/07	7.01%&7.06%	584,153	898,696	74,891
110	Dec 2008	\$	(1,928,714)	5,291,348	(1,928,714)	6,265,851	12/08	7.06%&7.29%	445,990	686,138	57,178
111	Dec 2009	\$	(2,056,243)	3,235,105	(2,056,243)	4,273,840	12/09	7.29%	311,563	479,328	39,944
112	Dec 2010	\$	(2,191,619)	1,043,486	(2,191,619)	2,150,783	12/10	7.29%	156,792	241,219	20,102
113	Dec 2011	\$	(1,043,486)	(0)	(1,043,486)	240,274	12/11	7.29%	17,516	26,948	2,246
114	Dec 2012	\$	-	(0)	-	(0)	12/12	7.29%	(0)	(0)	(0)
115											

**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)
2007 PCORC**

Ref	Description	12 Months Ended December 31				PCA Period				
		Asset Amort	Balance net of AA & ADFIT	Asset Amort	AMA Ratebase net of AA & ADFIT	A.T. %	Return Amount	Return Pre Tax	Return Monthly	
		(Note 1)		(Note 1)						
116										
117	Hopkins Ridge Mitigation Credit									
118	Dec 2008	\$ (241,917)	(1,729,704)	(241,917)	(464,682)	12/08	7.06%&7.29%	(33,075)	(50,885)	(4,240)
119	Dec 2009	\$ (1,451,500)	(786,229)	(1,451,500)	(1,257,967)	12/09	7.29%	(91,706)	(141,086)	(11,757)
120	Dec 2010	\$ (1,209,583)	-	(1,209,583)	(327,595)	12/10	7.29%	(23,882)	(36,741)	(3,062)
121										

Period	From	To	Asset Amort	AMA Ratebase as of		A.T. %	Return			
							Amount	Pre Tax	Monthly	
<i>(Annualized)</i>										
127	PCA #3	Jul 2004	Jun 2005	(23,312,822)	307,685,359	6/05	7.3%&7.01%	21,421,859	32,956,707	2,746,392
128	PCA #4	Jul 2005	Jun 2006	(24,507,562)	277,936,545	6/06	7.01%	19,483,352	29,974,387	2,497,866
129	PCA #5	Jul 2006	Dec 2006	(13,730,530)	265,779,411	12/06	7.01%	18,631,137	28,663,287	2,388,607
130	PCA #6	Jan 2007	Dec 2007	(29,764,119)	237,170,585	12/07	7.01%&7.06%	16,740,345	25,754,376	2,146,198
131	PCA #7	Jan 2008	Dec 2008	(34,975,201)	207,578,482	12/08	7.06%&7.29%	14,774,981	22,730,741	1,894,228
132	PCA #8	Jan 2009	Dec 2009	(41,205,065)	172,203,679	12/09	7.29%	12,553,648	19,313,305	1,609,442
133	PCA #9	Jan 2010	Dec 2010	(45,955,524)	134,470,450	12/10	7.29%	9,802,896	15,081,378	1,256,782
134				-	-					

6 Month Time Period

Note (1) Amounts in these columns are net of accumulated amortization AND the associated Deferred FIT liability / asset.

Note (2) During the 2004 General Rate Case filed under WUTC Docket No. UE-040640, et al., it was agreed that the return of the White River Relicensing costs would be delayed until the sale of White River is complete. At that time, the Commission can make a final determination in a separate proceeding regarding the application of the proceeds against the deferred costs and the disposition of any remaining balance.

Note (3) Because Hopkins Ridge Prepaid Transmission regulatory asset was projected to the entire 12 months of the rate year in UE-050870, a full year's return is allowed for PCA 4 when the Power Cost Baseline Rate is in effect from UE-050870.

Note (4) Asset amortization for the 12 months ending December 2006 is per the interim Hopkins Ridge amortization schedule. Asset amortization for the 6 months ending June 2006 is per the old Hopkins Ridge amortization schedule. Asset amortization for the 6 months ending December 2006 is the difference between the previous two.